

**U.S. EPA REGION 6 GUIDANCE FOR SUBMITTING PROPOSALS FOR  
POLLUTION PREVENTION INCENTIVES FOR STATES FY 1999  
GRANT/COOPERATIVE AGREEMENT FUNDS  
(GRANT PROGRAM 1)**

**ELIGIBLE ORGANIZATIONS:** States of Arkansas, Louisiana, Oklahoma, New Mexico, and Texas; any federally recognized Indian Tribes; and any agency or instrumentality of a state including state universities.

**PRE-PROPOSALS DUE JANUARY 8, 1999**

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**I. INTRODUCTION**

This guidance describes the process by which EPA will award the grants under the Pollution Prevention Incentives for States (PPIS) grant program. EPA is continuing to focus this grant program to foster sustainability of pollution prevention programs and ensure that pollution prevention (P2) is a critical component in how states deliver environmental protection in the future. This document provides an overview of the program, description of the evaluation criteria, and time lines for submissions and final awards.

The purpose of the PPIS grant program is to support the establishment and expansion of State and Tribal multimedia pollution prevention programs. EPA specifically seeks to build State pollution prevention capabilities or to test, at the State level, innovative pollution prevention approaches and methodologies. Funds awarded under the PPIS grant program must be used to support P2 programs that address the transfer of potentially harmful pollutants across all environmental media: air, water, and land. Programs should reflect comprehensive and coordinated pollution prevention planning and implementation efforts State wide.

EPA Region 6 will award in FY99 approximately \$480,000 in grant/cooperative agreement funds through a competitive review process under the authority of the Pollution Prevention Act of 1990.

## **II. PROGRAM HISTORY**

EPA started the PPIS grant program with the philosophy that states should play a primary role in encouraging industry, small and medium-sized businesses, local governments, and the public to shift priorities from pollution control to pollution prevention. EPA established the program believing that since states have more direct contact with generators, they are, therefore, more aware of their needs and problems and in a better position to provide pollution prevention assistance. As a result, state-based environmental programs make a unique contribution to the national effort to promote source reduction.

EPA set the following goals at the outset of the program:

- ◆ Empower states to build a pollution prevention infrastructure.
- ◆ Learn from and build upon innovative means of implementing pollution prevention at both the state and facility level.
- ◆ Provide resources for pollution prevention technical assistance and training.
- ◆ Support states in establishing and expanding pollution prevention programs.
- ◆ Foster federal and state information sharing and communication.

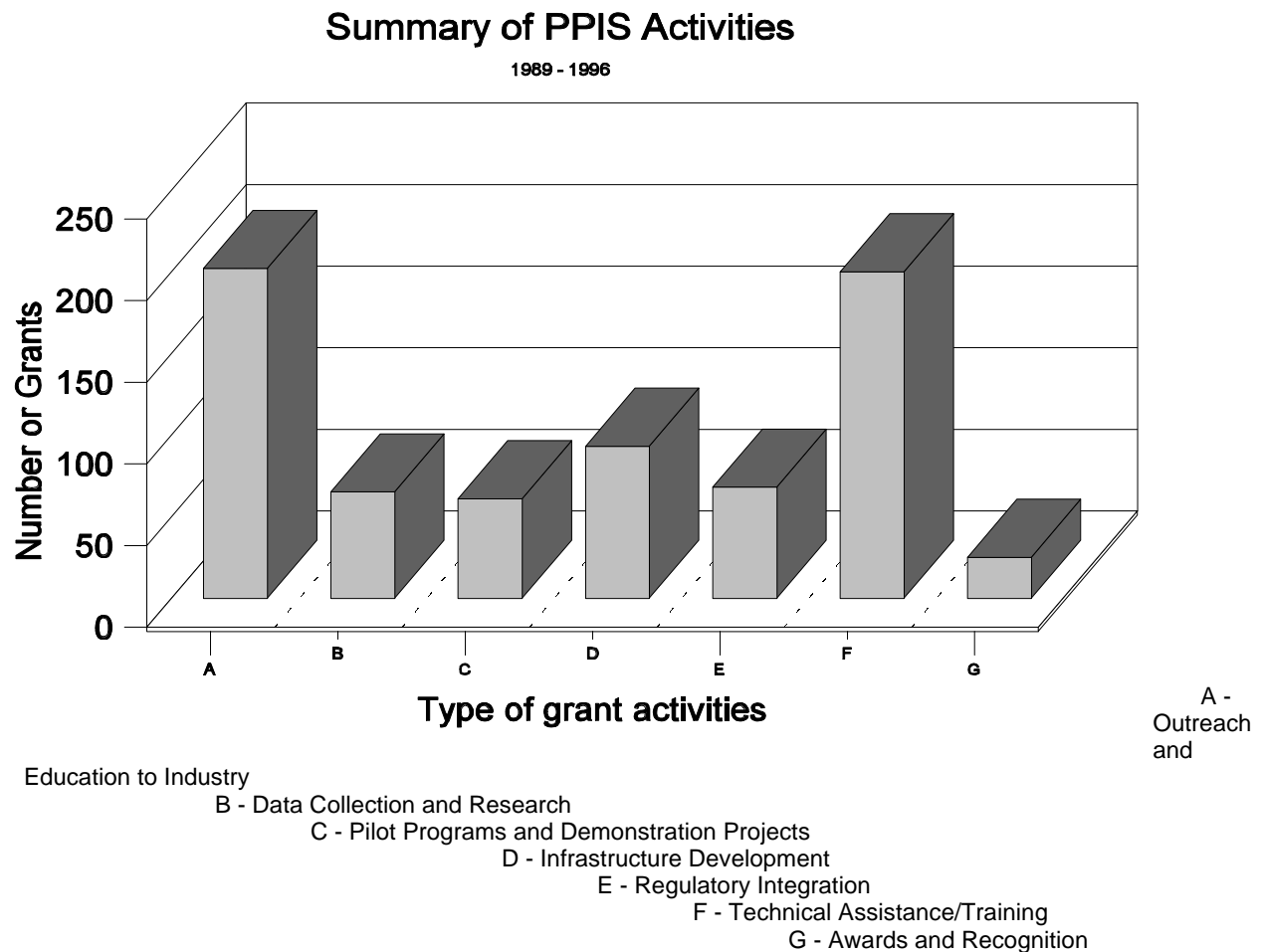
The PPIS grant program has evolved - and will continue to evolve - to meet the agency's changing needs and priorities. In the first years of the grant program, EPA administered the grant program from EPA Headquarters in Washington, D.C., with the goal of jump-starting as many state pollution prevention programs as possible. EPA believed that by educating businesses and providing P2 technical assistance, the businesses would quickly realize the benefits of a preventive approach and implement pollution prevention projects.

As the number of state pollution prevention programs expanded, EPA shifted responsibility for implementing the grant program from EPA Headquarters to the EPA Regions. This enabled the Regions to focus resources on regional priorities and institutionalize pollution prevention at the state level. Many states initiated regulatory integration projects to develop prevention strategies; train regulatory staff on P2 concepts; and examine opportunities for incorporating pollution prevention into permits, inspections, and enforcement. Some Regions also encouraged applicants to establish partnerships with state agencies in nonindustrial sectors such as agriculture, energy, health, and transportation.

## **2**

As shown below, PPIS funded activities for 1989 - 1996 attempted to address a wide range of audiences by implementing a diverse mix of program activities. As is

shown, grantees believe that technical assistance and educating industry about stopping the generation of waste at its source are parallel tracks in preventing pollution.



Over the past few years, two trends have emerged that have significantly changed the way environmental services are delivered at the state and federal level. First, the number of environmental assistance providers has dramatically increased over the past several years. Second, states are developing comprehensive strategic plans for environmental protection.

Prior to the inception of the PPIS program, there were only a few organizations providing environmental assistance and only a handful of states offering any kind of pollution prevention technical assistance. During the early 1990's, the number of organizations providing technical assistance dramatically increased. Today, several hundred organizations provide business and/or environmental assistance. Some examples of providers include:

- ◆ National Institute for Standards and Technology (NIST) Manufacturing Extension Partnerships (MEPs)
- ◆ NIST Environmental Networks
- ◆ Small Business Development Centers (SBDCs)
- ◆ EPA Office of Enforcement and Compliance Assistance (OECA) Compliance Assistance Centers
- ◆ Small Business Assistance Programs (SBAPs)

These organizations have developed strong service delivery programs to the manufacturing and small business communities. Businesses are often familiar with these organizations, and are comfortable contacting them for assistance. Given their detachment from regulatory programs, businesses often trust these organizations and have strong relationships with them. While these organizations have strong connections to the business community, many lack specific pollution prevention expertise. Thus, EPA believes that partnerships between these organizations and pollution prevention programs can have an extraordinary impact on environmental service delivery.

A second trend is the changing relationship between EPA and states and the way environmental services are delivered at the state level. The National Environmental Performance Partnership System (NEPPS) was established as part of the effort to reform EPA policy and practices related to oversight of state programs. NEPPS is intended, among other things, to provide states with more flexibility in using EPA resources. The system emphasizes mutual priority-setting and a focus on environmental results, rather than activity-specific review of programs. Performance Partnership Agreements (PPA) and Performance Partnership Grants (PPG) are the principal delivery mechanisms for this new approach. These mechanisms establish the framework for the State-EPA relationship for a one to two-year period. Under the NEPPS, states can develop Performance Partnership Agreements that articulate clear environmental objectives and meaningful measures to assess performance. These agreements will enable states to combine two or more categorical grants (including PPIS grants) into a multiple-program grant or Performance Partnership Grant (PPG).

EPA created NEPPS to improve environmental service delivery by:

- ◆ **Increased flexibility.** States and Tribes will have the flexibility to address their highest environmental priorities across all media and establish resource allocations based on those priorities, while continuing to address core program commitments.
- ◆ **Improved environmental performance.** States and Tribes can more effectively link program activities with environmental goals and program outcomes as well as develop innovative pollution prevention, ecosystem, and community-based strategies.
- ◆ **Administrative savings.** Recipients and EPA can reduce administrative burdens and costs by greatly reducing the numbers of grant applications, budgets, work plans, and reports.
- ◆ **Strengthened partnerships.** EPA will develop partnerships with States and Tribes where both parties have the same environmental and program goals and deploy their unique resources and abilities to accomplish these goals.

NEPPS is intended to take precedence over the traditional annual work plan process, however state participation in the NEPPS System is voluntary. For FY97, approximately 30 states have signed PPAs (24 environmental PPAs with 6 with either health or agriculture) and 36 states have signed PPGs (20 environmental PPGs with 16 with either health or agriculture), as of June 1997.

### III. ELIGIBLE ORGANIZATIONS

In accordance with the Act, Region 6 applicants for purpose of funding under this grant program include the States of Arkansas, Louisiana, Oklahoma, New Mexico, and Texas; any federally recognized Indian Tribes; and any agency or instrumentality of a state including state universities. For simplicity, all eligible applicants will generally be referred to as “States” throughout the rest of this guidance. Local governments, private universities, private business, individuals, and private non-profits within EPA Region 6 jurisdiction are not eligible.

### IV. APPLICATION EVALUATION CRITERIA

EPA is continuing to look at the various ways that states are delivering environmental services. The PPIS grant program can help foster the sustainability of state P2 programs and to ensure that pollution prevention is incorporated into state strategies and environmental service delivery systems.

To build upon the 1998 goals of the PPIS grant program, EPA will award 1999 PPIS funds to states that propose activities which:

- ◆ **Advance state environmental goals.** EPA believes it is important for the sustainability of state pollution prevention programs to complement the goals and strategies of the State Performance Partnership Agreements (PPAs), and Performance Partnership Grants (PPGs) under the National Environmental Performance Partnership System (NEPPS) or for those states not participating in the PPAs and PPGs, to show that the pollution prevention work they are undertaking complements and supports the state's environmental strategic plans. EPA believes P2 programs will continue to be valuable to the state environmental agency's top management if they can demonstrate how their actions will help advance state goals. EPA would like to ensure that pollution prevention is integrated at the state level by providing a service which supports the state's strategic plan. **The application must therefore demonstrate how pollution prevention activities will advance state environmental goals as stated in either PPAs, PPGs, or other state environmental strategic planning documents. Applicants submitting proposals that do not show a correlation between the environmental goals of the state and the proposed pollution prevention activity will not be considered as eligible for funding. EPA encourages all applicants to develop initiatives in priority industry sectors and geographic areas identified by the states.**
- ◆ **Promote accomplishments within the state's environmental programs.** EPA realizes the importance of documenting the program effectiveness and communicating those results to the affected media office. In order to create this link between the regulatory program and the activities of the pollution prevention program, EPA has added this application criterion to ensure that the environmental programs in the state are aware of the contributions of the p2 program within their sectors/programs/geographic areas. By creating this positive feedback mechanism to the state's regulatory program, the grantee can market their accomplishments and consequently help promote the sustainability of the P2 program. EPA through the PPIS grants is working to encourage better awareness by the state regulatory and media programs of how pollution prevention and the state pollution prevention programs are helping the regulatory programs address increasingly complex environmental management problems. **To address this, applications must include what activities the pollution prevention program will undertake to ensure communication and feedback to the regulatory and other environmental programs showing how pollution prevention is helping to advance multimedia environmental protection.**
- ◆ **Promote partnering among environmental and business assistance providers.** Starting in 1994, EPA required PPIS grant applicants to identify other environmental

businesses on pollution prevention. EPA believes that states lacking strong relationships with other environmental assistance providers will face difficulties securing state and federal resources in the future. EPA would like to encourage more cooperation among state pollution prevention programs, the NIST programs, SBDCs, SBAPs, OECA Compliance Assistance Centers, the large number of university cooperative extension programs and other business and environmental assistance programs at the state level. Through the PPIS grant funds EPA is striving to support this development of a coordinated network of State environmental service providers that seek to leverage the expertise of the various environmental assistance organizations and show an ability to work jointly in an effort to promote pollution prevention in the state. EPA wants to help foster a cooperative network of environmental assistance providers. Cooperation among state business and environmental assistance providers is paramount in light of shrinking federal programs. EPA would like to ensure that state pollution prevention programs and other assistance providers establish cooperative working relationships which make best use of their respective areas of expertise and most effectively serve their clients. **To this end, applicants must provide documentation showing they have entered into a partnership agreement with one or more environmental or business assistance providers in their state.**

## **V. EXAMPLES OF ACTIVITIES THAT ADDRESS THE EVALUATION CRITERIA**

During this grant cycle, EPA will fund pollution prevention (as defined by EPA) activities that support state environmental goals, complement efforts of other environmental assistance providers in that state, and conduct outreach and communication to other state environmental programs. Examples of eligible activities include those activities that:

- ◆ **Advance state environmental goals.** EPA will fund *only* those projects that clearly contribute to the achievement of state environmental goals, such as those articulated by their state's strategic plan or their Performance Partnership Agreements. During this grant cycle, EPA encourages States to **measure** pollution prevention progress and link their results to the state's environmental goals. Doing so will help state P2 programs demonstrate to top state management how pollution prevention can help them achieve environmental results in a cost-effective manner. In FY 1996, EPA funded states to develop measurement methodologies for pollution prevention. EPA encourages states to re-examine and to continue to implement these strategies. Strong proposals will clearly link their proposed activities with environmental goals. Examples of eligible activities tied to specific goals include:



## State Environmental Goal

## Eligible Activity

Maintain ozone air quality standards in a geographic area with repeat violations

- ◆ Develop incentives to increase use of mass transit and carpools in the specified area
- ◆ Conduct onsite pollution prevention assessments at large facilities in area
- ◆ Impose prevention provisions in air permits for facilities in this area

By 2000 reduce loadings of pollutants to POTWs by 10 percent

- ◆ Conduct onsite P2 assessments for POTW significant industrial users (SIUs)
- ◆ Require SIUs to reduce loadings through pollution prevention actions in permits
- ◆ Conduct workshops on pollution prevention for SIUs

Reduce quantity of hazardous waste generated by 20 percent (over 1995 levels) by 2000

- ◆ Target largest hazardous waste generators for onsite assessments and outreach
- ◆ Educate industry about ISO 14000 environmental management standards
- ◆ Distribute pollution prevention information through inspection process

- ◆ **Promote accomplishments within state's environmental programs.** In order to advance and market the impact of source reduction/pollution prevention activities back to the State's affected regulatory program, the applications are required to address how they propose to **promote** their accomplishments. All applications need to identify the various state program offices which will benefit from the proposed activities and then document how the grantee's plan to keep the media programs informed. The purpose of including this criterion is to address a perceived lack of knowledge and understanding within the other state environmental programs of the work and activities being undertaken by the P2 program, often in support of regulatory efforts. Examples of outreach activities to promote P2 accomplishments might include:

- ◆ participating in media specific conferences
- ◆ circulating a newsletter to media programs highlighting the accomplishments of the grant
- ◆ setting up a steering committee with media program representatives

- ◆ convening annual meetings with media program directors to brief them of the P2 activities

- ◆ provide updates to state legislatures and state environmental regulatory commissioners on the activities of the P2 program.
  
- ◆ **Complement activities of environmental assistance providers.** In FY 1994, EPA asked grant applicants to evaluate environmental networks in their states. EPA encourages grantees to review these programs once again in this grant cycle. Applicants should propose efforts that complement activities of other environmental assistance providers in the state and consider **partnering** to develop joint applications. All applicants should ensure that proposed activities do not duplicate actions underway by other environmental assistance providers in the state. Examples of activities eligible to support coordination among environmental assistance providers include:
  - ◆ Demonstrate how the pollution prevention program is serving the needs of other environmental or business assistance providers that do not have pollution prevention expertise.
  - ◆ Conduct a joint exposition with economic development agencies and university extension services to demonstrate pollution prevention technologies.
  - ◆ Partner with a business association or agricultural extension to deliver pollution prevention technical assistance.

## **VI. AWARD PROCESS AND TIMELINE**

Region 6 will use a two-tiered process. To be consider for funding, applicants must first submit a pre-proposal (limited to 10 pages). After evaluation, applicants whose proposals are recommended for funding will be notified to prepare the entire application form, supporting documentation, signatures, etc. Complete information will be included in the application package. Grant recipients can expended funds for a period of up to three years.

### **Cost-Share Requirements**

Organizations funded must match Federal funds by at least 50 percent of the total award amount. State contributions can include dollars and/or in-kind goods and services.

### **Catalogue of Federal Domestic Assistance**

The Catalogue of Federal Domestic Assistance number assigned to this program is 66.708.

### **Timeline**

To participate in the process, two copies of each pre-proposal must be received at EPA Region 6 by 4:00 p.m. on January 8, 1999. Funding recommendations will be made before February 12, 1999 and funds will be awarded before September 30, 1998. The total number of grants awarded will be determined by the size of the grant and the amount of the grants funds available. Pre-proposals will be submitted to:

U.S. Environmental Protection Agency  
Office of planning and Coordination (6EN-XP)  
Attention: Eli Martinez/Pollution Prevention Coordinator  
1445 Ross Avenue, Suite 1200  
Dallas, TX 75202-2733  
(Phone 214/665-2119/FAX 214/665-7446)

## **VII. APPLICATION FORMAT**

Project proposals must be no more than 10 narrative pages in length, using 10 characters per inch typeface, single spaced pages with one inch margins all around (excluding the Standard Form 424, "Application for Federal Assistance" and SF-424A, "Budget Information." (Refer to sample forms in packet for appropriate blocks to complete.) Proposals must include the following information:

1. Lead agency/Key contacts - The agency applying for the grant funds with the key contact(s) identified.
2. Designated State partners/Key contacts - The additional state partners for the delivery of pollution prevention services with key contact(s) identified.
3. Summary of partnership - brief description of who the organization/partners will work together.
4. Summary of how activities will advance State environmental goals. Describe how activities will complete state NEPPS process (applicable only to those states that have developed an Environmental Partnership Agreement).
5. Summary of relationship to NIST funded environmental coordination planning efforts. This requirement applies to states which have received funding from NIST in 1995 and 1996 which in Region 6 includes New Mexico and Texas. Proposals from states that have not been awarded a NIST grant are not required to address this criteria.
6. Summary of how activities will complement those of other environmental and business assistance providers. All applicants should ensure that proposed activities do not duplicate actions underway by other assistance providers.
7. Specification of Tasks and Deliverables - This section should specify tasks that will be completed to achieve project objectives and identify any specific documents which will be completed and submitted to Region 6.
8. Level of Funding Requested - This section should indicate both the amount of federal funds and/or in-kind goods and services. This section should indicate the total matching contribution of all project participants.
10. Schedule for Implementation - This section should summarize the project tasks and deliverables and their projected completion dates.
11. Draft Standard Form 424 (SF-424), "Application for Federal Assistance" and SF-424A, "Budget Information." Refer to sample forms SF-424 and SF 424A attached for appropriate blocks to complete at this pre-proposal stage.

This section describes the criteria EPA Region 6 will use to evaluate proposals under the PPIS grant program. In addition to proposing activities that meet EPA's definition of pollution prevention, applicants must:

1. The narrative must address the following criteria. **NOTE:** No weight or points will be added. These criteria must be included in order for the proposal to be considered for funding.
  - a. **Designate an additional state partner for delivery of pollution prevention services.** Applicants must include a letter of agreement between the applicant and one other environmental or business assistance provider in the state. This letter should describe how the two organizations will work together to deliver complementary services. State may select any established assistance provider, including NIST MEP centers, SBDCs, SBAPs, OECA Compliance Assistance Centers, or university cooperative extension programs. EPA will give preference to applicants that develop joint proposals with this organizations.
  - b. **Demonstrate how activities will advance state environmental goals.** Applicants must describe how pollution prevention activities will complement state's environmental goals. Successful applicants will clearly link activities to environmental goal established in these comprehensive strategies. EPA encourages states to develop initiatives in priority industry sectors and geographic areas, State and EPA Reinvention activities. If the State has an Environmental Partnership Agreement developed under NEPPS, the application needs to document how its activities address the Agreement's priorities. EPA encourages all applicants to develop proposals focused on priority industrial sectors, geographic areas, and/or State and Federal Reinvention activities (if applicable). Where the state environmental programs may lack a single comprehensive environmental strategy, PPIS applications must show a correlation between the proposed activity and the environmental goals, or objectives os a state environmental program.
  - c. **Demonstrate how the activities will interact with the State's regulatory program.** Applicants must describe how their proposed pollution prevention activities will connect with their state's regulatory program issues. The work plan needs to incorporate identifiable activities (publishing success stories in media specific newsletters, setting up semiannual meetings with media directors, etc.) Which incorporate media relevant information back to the affected regulatory program.

2. Address how the activities will complement those of other environmental and business assistance providers in partnership efforts. In FY 1994, EPA asked grant

applicants to evaluate environmental and business assistance providers in their states. EPA encourages grantees to review these other programs once again in this grant cycle. Applicants should propose efforts that complement activities of other assistance provide in the state. **Weight: 25 points**

3. The application specifies realistic goals and objectives that deal with the issues identified in the application. The application includes a well-conceived strategy to achieve these goals and objectives. **Weight: 15 points**

4. The project builds on long-term implement of a multi-media pollution prevention efforts to foster sustain ability thus ensuring that pollution prevention is incorporated into state strategies and environmental service delivery systems. **Weight: 15 points**

5. The project makes effective use of the requested Federal funds. **Weight: 15 points**

6. The project has a high likelihood of success. Project participants are well qualified to conduct the proposed project and have demonstrated success in their previous work in pollution prevention efforts. Senior management within the applicant and partnering organizations are committed to the project and will monitor project progress. **Weight: 20 points.**

7. The project contains clear measures of success and should include measures of economic health, where application. **Weight: 10 points.**

## **IX. ADDITIONAL INFORMATION**

For more information, questions about this guidance, or the FY 97 PPIS Grant program in Region 6, please contact EPA Region 6, Office of Planning and Coordination, PPIS Grants Coordinator: Eli Martinez at 214/665-2119, fax 214/665-7446.